REMARKS

In the Office Action[1], the Examiner rejected claims 1-18, 26, 27, and 31-35 under

35 U.S.C. § 103(a) as unpatentable over U.S. Patent No. 5,513,260 to Ryan ("*Ryan*"), in

view of U.S. Patent No. 5,629,980 to Stefik et al. ("*Stefik*"), and further in view of U.S.

Patent No. 5,446,488 to Vogel ("*Vogel*").

Applicant respectfully requests that the Examiner reconsider and withdraw the

rejection of claims 1-18, 26, 27, and 31-35 because a *prima facie* case of obviousness

has not been established with respect to these claims.

To establish a *prima facie* case of obviousness, the prior art reference (or

references when combined) must teach or suggest all the claim limitations. *See*

M.P.E.P. § 2142, 8th Ed., Rev. 5 (August 2006). Moreover, "in formulating a rejection

under 35 U.S.C. § 103(a) based upon a combination of prior art elements, it remains

necessary to identify the reason why a person of ordinary skill in the art would have

combined the prior art elements in the manner claimed." USPTO Memorandum from

Margaret A. Focarino, Deputy Commissioner for Patent Operations, May 3, 2007,

page 2.

A *prima facie* case of obviousness has not been established because, among

other things, *Ryan*, *Stefik*, and *Vogel*, when taken alone or in any proper combination,

fail to teach or suggest each and every element of Applicant's claims.

Claim 1 recites a data distribution system including, for example:

> a reproducing apparatus . . .
> a recording apparatus. . .

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[1] The Office Action contains a number of statements reflecting characterizations of the related art and the
claims. Regardless of whether any such statement is identified herein, Applicant declines to
automatically subscribe to any statement or characterization in the Office Action.

an examining means . . .
a controlling means . . .
. . .
<u>wherein said examining means;</u>
<u>examines whether said content data is of a first type which is</u>
<u>distributed in an encrypted state or of a second type which is distributed in</u>
<u>an unencrypted state,</u>
<u>examines whether said recording medium is of a first type having a</u>
<u>configuration enabling recorded data to be effectively read out by</u>
<u>performing authentication processing or of a second type having no such</u>
<u>configuration and enabling read out of the recorded data without</u>
<u>authentication,</u>
<u>examines whether said reproducing apparatus is of a first type for</u>
<u>reproducing after the authentication processing or of a second type for</u>
<u>reproducing without that processing, and</u>
<u>examines whether said recording apparatus is of a first type for</u>
<u>recording after the authentication processing or of a second type for</u>
<u>recording without that processing.</u>

(emphasis added). *Ryan* does not teach or suggest at least these elements.

Ryan discloses a CD player that looks for an authentication signature on the CD

(col. 2, lines 65-67). If the authentication signature is present, the player will play the

CD. If the authentication signature is not present, the player will not play the CD (col. 2,

lines 32-44). The Examiner states that *Ryan* "discloses a means for reproducing

content (cd player), a recorder and means there between for examining and controlling

transfer (black boxes)" (Final Office Action at pages 3-4). The Examiner also cites that

col. 3, line 63 - col. 4, line 11 to disclose several elements of the examining means

(Final Office Action at page 5). Applicant respectfully disagrees.

According to this passage of *Ryan*, a special instruction may exist to tell a CD

player to look for an authenticating signature and only play those CDs that have the

signature. This instruction may be omitted from CDs and programs "which do not

require copy-protection and for such programs both original CDs and copies thereof

would play normally" (col. 3, lines 64-66). In this example, copy protection may be offered on a program by program basis. Therefore, even though the instruction may not be contained on an initialization section of a CD, a "Look for . . . " instruction is used to achieve copy protection.

According to *Ryan*, the above example of copy protection may be compromised by "special black boxes." These black boxes may remove or modify the "Look for . . ." instruction so that an illicit copy may be played. The black boxes, which the Examiner appears to correspond to the claimed "recording apparatus," are not examined by an "examining means." Specifically, nothing in *Ryan* examines whether a black box "is of a first type having a configuration enabling recorded data to be effectively read out by performing authentication processing or of a second type having no such configuration and enabling read out of the recorded data without authentication," as recited in claim 1.

In addition, nothing in *Ryan* teaches or suggests that the black box records any information. Even assuming that the black box could record information, which Applicant does not concede, *Ryan* does not teach or suggest examining whether the black box "is of a first type for recording after the authentication processing or of a second type for recording without that processing," as further recited in claim 1.

In *Ryan*, the CD player plays the contents of the CD. The CD player normally knows whether to play the contents based on the authenticating signature. As previously stated, a black box may successfully trigger the CD player to play an illicit copy. Regardless of whether the contents are authenticated or illicit, the CD player, which allegedly corresponds to the claimed "reproducing apparatus," is not examined to determine if it "is of a first type for reproducing after the authentication processing or of

a second type for reproducing without that processing." There is no teaching or suggestion in *Ryan* that the CD player is examined.

Assuming, arguendo, that the CD recorder in *Ryan* could also correspond to the claimed "recording apparatus," Applicant finds no teaching or suggestion in *Ryan* that the CD recorder is examined to determine whether it "is of a first type having a configuration enabling recorded data to be effectively read out by performing authentication processing or of a second type having no such configuration and enabling read out of the recorded data without authentication," and "is of a first type for recording after the authentication processing or of a second type for recording without that processing," as recited in claim 1.

The Examiner correctly states that *Ryan* does not disclose "wherein said usage space information indicates system information of said recording apparatus and said reproducing apparatus, ownership right information of said content data, format information of said content data, and distributing profit information obtained by the distribution of said content data," as recited in claim 1 (Final Office Action at page 4). The Examiner relies on *Stefik* to allegedly disclose these elements (Final Office Action at pages 4-5).

Even assuming that this assertion is correct, which Applicant does not concede, *Stefik* does not cure the deficiencies of *Ryan* discussed above. *Stefik* discloses a "system for controlling use and distribution of digital works" (col. 3, lines 51-52). The system "allows the owner of a digital work to attach usage rights to the work" (col. 3, lines 56-57).

Fig. 15 of *Stefik* lists usage rights grammar, and Fig. 16 depicts the "registration transaction between two repositories" (col. 27, lines 43-44). In Fig. 16, repository-1 "generates an encrypted registration identifier," "generates a message," and "transmits the registration message to repository-2" (col. 27, lines 49-67). Repository-2 "determines if it has the needed public key," and, if it does, "the identification certificate is decrypted" (col. 28, lines 6-7). The registration identifier is extracted, saved, and checked against a "hotlist" (col. 28, lines 8-11). The registration identification is verified, a performance message is transmitted to repository-1, decrypted, and, if the repositories are correct, a "nonce" is transmitted from repository-1 to repository-2 and compared (col. 28, lines 32-63).

Stefik discloses generating an "encryption registration identifier." However, *Stefik* does not disclose the claimed "examining means" that examines "content data," the "recording medium," the "reproducing apparatus," and the "recording apparatus," as recited in claim 1. Therefore, *Stefik* does not teach or suggest the claimed combination of elements including an examining means that "examines whether said content data is of a first type which is distributed in an encrypted state or of a second type which is distributed in an unencrypted state, examines whether said recording medium is of a first type having a configuration enabling recorded data to be effectively read out by performing authentication processing or of a second type having no such configuration and enabling read out of the recorded data without authentication, examines whether said reproducing apparatus is of a first type for reproducing after the authentication processing or of a second type for reproducing without that processing, and examines whether said recording apparatus is of a first type for recording after the authentication

processing or of a second type for recording without that processing," as recited in claim 1.

The Examiner correctly states that *Ryan* and *Stefik* do not disclose distributing data in an encrypted and unencrypted state (Final Office Action at page 5). The Examiner relies on *Vogel* to allegedly disclose these elements (Final Office Action at pages 6).

Even assuming that this assertion is correct, which Applicant does not concede, *Vogel* does not cure the deficiencies of *Ryan* and *Stefik* discussed above. *Vogel* discloses a "method of distributing television programs" (col. 4, lines 514-15). *Vogel* does not teach or suggest the claimed combination of elements including an examining means that "examines whether said content data is of a first type which is distributed in an encrypted state or of a second type which is distributed in an unencrypted state, examines whether said recording medium is of a first type having a configuration enabling recorded data to be effectively read out by performing authentication processing or of a second type having no such configuration and enabling read out of the recorded data without authentication, examines whether said reproducing apparatus is of a first type for reproducing after the authentication processing or of a second type for reproducing without that processing, and examines whether said recording apparatus is of a first type for recording after the authentication processing or of a second type for recording without that processing," as recited in claim 1.

Accordingly, *Ryan*, *Stefik*, and *Vogel* fail to establish a *prima facie* case of obviousness with respect to claim 1, at least because the references fail to teach each

and every element of the claim. Claims 3-18 depend from claim 1 and are thus also allowable over *Ryan* and *Stefik,* for at least the same reasons as claim 1.

Independent claims 27 and 31, while of different scope, recite elements similar to those of claim 1 and are thus also allowable over *Ryan*, *Stefik*, and *Vogel* for reasons similar to that discussed above for claim 1. Claims 33-35 are also allowable at least due to their dependence from independent claim 31.

In view of the foregoing remarks, Applicant respectfully requests reconsideration of the application and withdrawal of the rejection. Pending claims 1, 3-18, 26, 31, and 33-35 are in condition for allowance, and Applicant requests a favorable action.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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